

AMENDED IN ASSEMBLY AUGUST 22, 2008

AMENDED IN ASSEMBLY JULY 17, 2007

AMENDED IN ASSEMBLY JUNE 28, 2007

**SENATE BILL**

**No. 863**

---

**Introduced by Senator Yee**  
(~~Coauthor: Assembly Member Torrico~~)

February 23, 2007

---

~~An act to amend Sections 19401 and 19426 of, and to add Sections 19421.3 and 19421.5 to, the Business and Professions Code, relating to horse racing. An act relating to parks, and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 863, as amended, Yee. ~~Horse racing.~~ *Parks: funding: Half Moon Bay.*

*The Housing and Emergency Shelter Trust Fund Act of 2006, a bond measure adopted by the voters at the November 7, 2006, statewide general election, authorizes the issuance of \$2,850,000,000 of general obligation bonds for housing-related programs. The act required that \$200,000,000 of those bond funds be deposited in the Housing Urban-Suburban-and-Rural Parks Account created in the fund, which is available, upon appropriation by the Legislature, for housing-related parks grants in urban, suburban, and rural areas, subject to the conditions and criteria provided by the Legislature.*

*This bill would appropriate \$10,000,000 to the State Coastal Conservancy from the Housing Urban-Suburban-and-Rural Parks Account for grants to the City of Half Moon Bay for acquisition and associated park and trail development of property known as the*

*“Beachwood Property” and costs and repayment of debts associated with the acquisition and associated park and trail development of the Pilarcitos Creek Park property. The funds would be required to be expended as prescribed, including, but not limited to, the preparation of an independent appraisal to establish fair market value of the Beachwood property.*

~~Existing law expresses the intent of the Legislature in authorizing parimutuel wagering on horse races, including encouraging agriculture and the breeding of horses in this state.~~

~~This bill would include in that provision helping to ensure a sufficient supply of horses for horse racing in California.~~

~~Existing law establishes the California Horse Racing Board, consisting of 7 members appointed by the Governor.~~

~~This bill would prohibit more than 3 members of the board who are licensed to participate in the horse racing industry from serving on the board at the same time. This bill would also require the board to promulgate and adopt regulations regarding conflicts of interest and ethics for the board, as specified.~~

~~Existing law provides that the Governor may remove any member of the board for incompetence, neglect of duty, or corruption upon first giving the member a copy of the charges against him or her and an opportunity to be heard.~~

~~This bill would instead provide that the Governor may remove any member of the board for any reason.~~

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. (a) The sum of ten million dollars (\$10,000,000)
- 2     is hereby appropriated from the Housing
- 3     Urban-Suburban-and-Rural Parks Account established pursuant
- 4     to subdivision (d) of Section 53545 of the Health and Safety Code
- 5     to the State Coastal Conservancy for a grant or grants to the City
- 6     of Half Moon Bay for any of the following purposes:
- 7     (1) The costs of acquisition, and associated park and trail
- 8     development, for all or any portion of the property known as the
- 9     “Beachwood property” located in the City of Half Moon Bay.
- 10    (2) The costs and repayment of any debt associated with the
- 11    acquisition, and associated park and trail development, of the

1 *Pilarcitos Creek Park property located at 880 Stone Pine Road,*  
2 *Half Moon Bay, CA 94019.*

3 *(b) Funds appropriated pursuant to this section and expended*  
4 *pursuant to paragraph (1) of subdivision (a) shall be expended in*  
5 *accordance with the requirements of Division 21 (commencing*  
6 *with Section 31000) of the Public Resources Code, including, but*  
7 *not limited to, the preparation of an independent appraisal*  
8 *conducted by, or under the auspices of, the State Coastal*  
9 *Conservancy in accordance with the standards and practices*  
10 *established by the Uniform Standards of Professional Appraisal*  
11 *Practice to establish the fair market value of the Beachwood*  
12 *property and the amount of any grant made pursuant to this*  
13 *section.*

14 *(c) Funds appropriated pursuant to this section shall not to be*  
15 *disbursed for any purpose other than for the purposes specified*  
16 *in this section. Any funds that are not expended by January 1,*  
17 *2011, shall revert to the Housing Urban-Suburban-and-Rural*  
18 *Parks Account.*

19 *(d) This section shall remain in effect only until January 1, 2011,*  
20 *and as of that date is repealed, unless a later enacted statute, that*  
21 *is enacted before January 1, 2011, deletes or extends that date.*

22 ~~SECTION 1. Section 19401 of the Business and Professions~~  
23 ~~Code is amended to read:~~

24 ~~19401. The intent of this chapter is to allow parimutuel~~  
25 ~~wagering on horse races, while:~~

26 ~~(a) Assuring protection of the public.~~

27 ~~(b) Encouraging agriculture and the breeding of horses in this~~  
28 ~~state, including, but not limited to, helping to ensure a sufficient~~  
29 ~~supply of horses for horse racing in California.~~

30 ~~(c) Supporting the network of California fairs.~~

31 ~~(d) Providing for maximum expansion of horse racing~~  
32 ~~opportunities in the public interest.~~

33 ~~(e) Providing uniformity of regulation for each type of horse~~  
34 ~~racing.~~

35 ~~SEC. 2. Section 19421.3 is added to the Business and~~  
36 ~~Professions Code, to read:~~

37 ~~19421.3. No more than three members of the board who are~~  
38 ~~licensed to participate in the horse racing industry by the board~~  
39 ~~may serve on the board at any one time.~~

1     ~~SEC. 3. Section 19421.5 is added to the Business and~~  
2     ~~Professions Code, to read:~~

3     ~~19421.5. (a) The board shall, by July 1, 2008, promulgate and~~  
4     ~~adopt regulations regarding board member conflicts of interest and~~  
5     ~~shall develop a code of ethics for all board members. The~~  
6     ~~regulations shall include, but not be limited to, provisions~~  
7     ~~governing recusal from participation in matters before the board~~  
8     ~~due to financial conflict of interest and incompatible activities by~~  
9     ~~board members.~~

10    ~~(b) The board shall conduct annual training for its members~~  
11    ~~regarding compliance with the regulations promulgated pursuant~~  
12    ~~to subdivision (a).~~

13    ~~SEC. 4. Section 19426 of the Business and Professions Code~~  
14    ~~is amended to read:~~

15    ~~19426. The Governor may remove any board member for any~~  
16    ~~reason.~~